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E.O. 12958: N/A
TAGS: <u>EAGR ETRD ECON</u>
SUBJECT: SUPPORTING THE RICE BOMBER - A DEMONSTRATION
AGAINST RICE IMPORTS AND THE WTO

REF: NONE

- 11. (SBU) SUMMARY: On December 26, about 500 farmers and activists demonstrated in central Taiwan to support Yang Rumen, the "Rice Bomber," who planted a series of bombs around Taipei over the past 14 months. The farmers protested against rice imports and other post-WTO changes in Taiwan's trade policy and submitted a list of ten demands to Taiwan's Council of Agriculture (COA). Although COA already has in place several programs demanded by the demonstrators, it expects to face considerable pressure from local farmers as Taiwan participates in future WTO negotiations on agriculture, especially when the rice issue is raised. In the end, although the protestors' concerns resonate though much of Taiwan's society, their actions are unlikely to change Taiwan's trade policies. END SUMMARY.
- 12. (U) About 500 people demonstrated on December 26 in central Taiwan in support of Yang Ru-men, better known as the "Rice Bomber." After his arrest on November 25, Yang confessed to planting at least eight of sixteen bombs around Taipei to protest rice imports. Starting on October 27, 2003, the "rice bombs" were planted in parks, telephone booths, metro stations and near government offices. Often filled with rice, only two of the devices exploded -- and none caused any significant injuries or damage.
- 13. (U) The demonstration was held in Erh-Lin Township, Changhua County, Yang's birthplace and the home of his grandparents. Reportedly, this was also the site of a 1929 protest against the ruling Japanese government's exploitation of local sugar cane farmers. Speakers at the demonstration often alluded to the "Spirit of 1929."
- 14. (U) The demonstrators consisted of activists from farmers' associations, county councils, community colleges, legal groups, academia -- and even a gangster organization. Approximately twenty distinct activist groups and organizations participated in the protest.

#### The Rice Bomber as Guy Fawkes

¶5 (II) The demonstrators ins

15. (U) The demonstrators insisted that the Rice Bomber is a hero and not a terrorist. The speakers said that although Yang may have been wrong to plant bombs in public places, he clearly had no intention to harm anyone. The bomber simply wanted to draw the government's attention to the plight of local farmers. Yang's actions were further justified as the only way the poor can fight back in Taiwan's increasingly stratified society. Since his cause was just, the protestors declared that Yang should be granted amnesty and be released immediately. To show their support, Changhua Farmers have donated money for Yang's legal defense.

# Anger at Council of Agriculture

- 16. (U) Speakers at the rally blamed Taiwan's Council of Agriculture (COA) for doing too little for farmers since the island's 2002 WTO accession. They criticized COA officials who "sit in their air-conditioned offices" and make agricultural polices "without thinking of the farmer's real problems in the field." The demonstration's program included a song urging Taiwan people to eat local rice and fruit and a performance about how Taiwan's WTO accession has turned the farmers' sky black.
- 17. (U) The protesters urged Taiwan's authorities to reduce the high tax on rice wine and renegotiate the agricultural part of Taiwan's WTO accession agreement. They blamed the government for opening the local market to agricultural imports, which purportedly had "a huge impact" on prices for local agricultural products in recent years. They allege this has made it difficult for farmers to make a decent

### Class Conflict Surfaces

18. (U) More generally, the protestors also criticized the lack of fairness and justice in society. In addition to being exploited by local "capitalists," Taiwan's authorities have made local farmers and workers vulnerable to "foreign capitalists." The resulting income inequality has created a situation where the poor cannot support their families and children's education while the rich consume ever more luxuries.

### Petitioning the Council of Agriculture

- 19. (U) Since the arrest of the rice bomber, reportedly more than 30,000 people have signed a petition with ten demands for COA.
- Establish a Farmer's Minimum Wage. The government should ensure that a farmer's income is no less than the minimum wage of a blue-collar labor.
- Permit Rezoning of Agricultural Land. Taiwan authorities should allow more land to be rezoned out of agriculture. Since joining the WTO, Taiwan no longer needs to keep so much land for farming. Although it seemingly embraces change, this proposal is attractive to many of Taiwan's farmers because it would allow them to sell their increasingly valuable land to developers.
- Wider Use of Price Stabilization Funds. To stabilize incomes, enhance agricultural development and boost the competitiveness of local agricultural products, COA should establish stabilization funds for all agricultural, fishery, and livestock products.
- ${\hspace{0.25cm}\hbox{-}\hspace{0.25cm}}$  More Exports. Increase exports of locally produced agricultural, fishery and livestock products to reduce supplies and maintain local prices.
- More Market Information. COA should provide more data on the situation and outlook on all agricultural, fishery and livestock production in order to control local supplies and prices.
- More Funding to Educate Farmer's Children. Farmers should receive assistance in educating their children, especially those at the lowest income levels.
- More Protection for Producers Hurt by Imports. All agricultural, fishery and livestock products should be eligible for Taiwan's import relief measure, which pays out to farmers hurt by increasing in imports.
- Payments for Conservation. COA should create a permanent fund to purchase land from farmers for conservation purposes.
- Increased purchases of locally produced agricultural, fishery and livestock products for humanitarian food aid shipments.
- If Taiwan authorities do not respond to these farmers' concerns, activists have threatened to continue and even escalate their protests.

## Press Reaction

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110. (U) The event was covered by AP yesterday and also received prominent coverage in the United Daily News and Apple Daily. In all, eight newspapers had coverage of the demonstration. In terms of editorial reaction, a United Daily News editorial urged the government to look seriously into the problem of Taiwan's agricultural industry, while a Liberty Times editorial said the protest sent the wrong message by condoning the rice bomber's violence. The split between supporting the rice bomber's goals and condemning his methods makes it uncertain whether he will gain a large like Jose Bove, the French agrarian anti-globalization protestor.

### Council of Agriculture Reaction

111. (SBU) According to COA, Taiwan already has in place several of the ten programs demanded by farmers. For example, COA already makes conservation payments and actively promotes Taiwan agricultural exports. COA also

assists farmers by subsidizing fertilizer in order to cut local agricultural production costs. COA insists that it has always been a strong advocate for Taiwan's farmers and is willing to communicate with them about their further concerns.

112. (SBU) Although COA tried to explain current agricultural polices to farmers in its response to the ten-point petition, it does not plan to change its policies. This does not mean COA is unconcerned - it expects to face considerable pressure from local farmers as Taiwan participates in future WTO negotiations in agriculture, especially when the issue of rice is raised.

#### Comment

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- 113. (SBU) Although concern for the farmer resonates with many Taiwan residents who are often just a generation or two away from the farm, public distaste for violence has likely undercut widespread support for the protest. Farmers will likely to continue blaming WTO and COA for their low incomes, despite the fact that rural poverty is primarily a result of Taiwan's small scale and inefficient farming sector. The fact that agricultural prices are largely unchanged since Taiwan's WTO accession has not been recognized widely. Low farm incomes, combined with some minor pressure from imports, will likely fuel some continued protests against imported agricultural products.
- 114. (SBU) It is also worth noting that some of the ten policies suggested in the petition are contradictory. For example, the petition combines market-oriented elements such as the land-zoning proposal and better market intelligence with larger support payments. The linking of higher agricultural support payments with increased competitiveness reveals a lack of sophisticated economic thinking amongst the petition's drafters.
- 115. (SBU) AIT/AGR expects that COA will continue its combination of palliatives for producers and continued resistance to further agricultural trade liberalization. Most concretely, this is likely to take the form of continued active Taiwan participation in the antiliberalization WTO Group of 10 and in strong opposition to any attempts to further open Taiwan's rice market.

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